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February 20, 2007

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When calling relative to this matter, refer to file No. 1459.

Honorable James H. Welsh Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804-9275

Re:

Lower Cotton Valley Formation,

Reservoir A Terryville Field

Lincoln Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana:

- 1. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well for LCV RA SUJ at the exceptional location shown on the attached plat;
- 2. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well for LCV RA SUO at the location shown on the attached plat;
- 3. To determine that there is a need for additional alternate unit wells as indicated to efficiently and effectively recover hydrocarbons underlying the units on which they are to be located;
- 4. To authorize the unit allowable for these units to be recovered from the existing wells located on the units, the proposed wells, or any combination thereof, at the discretion of the operator; and
- 5. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 370-B-6, effective on and after February 18, 1982; and has been redefined as to certain units by Office of Conservation Order No. 370-B-64, effective January 10, 2006.

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Office of Conservation February 20, 2007 Page 2

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Tom Lindley, 416 Travis Street, Suite 804, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

The list of parties attached to the copy of this application being sent to the Office of Conservation includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this application, with plat attached, is being sent to each such party. Pursuant to Office of Conservation regulations, the list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. A check for the application fee is enclosed with the copy of this letter being sent to the Commissioner of Conservation.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY

William Fleming

jwf:s

cc:

Enclosures

James C. Broussard, District Manager Interested Owners, Represented

Parties and Interested Parties

Mr. Tom Lindley Mr. Craig Barclay

